



State of California
Employment Training Panel

Training Proposal for:
Sierra Business Council

Agreement Number: ET09-0215

Panel Meeting of: **July 25, 2008**

ETP Regional Office: **Sacramento**

Analyst: K. Muraki

PROJECT PROFILE

Contract

Type: SET/HUA - Retrainee
HUA - Retrainee
SET - Entrepreneurial

Industry

Sector(s): Various Industries

Counties

Served: Tehama, Lassen, Plumas, Butte,
Yuba, Sierra, Nevada, Placer,
El Dorado, Amador, Calaveras,
Tuolumne, Mariposa, Tulare, Kern,
Alpine, Mono, Inyo, Madera,
Fresno, Stanislaus, Merced,
San Joaquin

Repeat

Contractor: ☐ Yes ☒ No

Union(s): ☐ Yes ☒ No

Priority

Industry: ☒ Yes ☐ No

Turnover Rate %	Manager/ Supervisor %
≤20%	≤20%

FUNDING DETAIL

Program Costs	Support Costs	Total ETP Funding
\$21,624	\$1,496	\$23,120

In-Kind Contribution
\$37,500

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Average No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	SET/HUA - Retrainee	Business Skills	10	8 - 60	0	\$800	*\$12.85
				Weighted Avg: 34			
2	HUA - Retrainee	Business Skills; Management Skills	8	8 - 60	0	\$945	\$12.85
				Weighted Avg: 34			
3	SET/Entrepreneurial	Business Skills; Management Skills	8	8 - 60	0	\$945	N/A
				Weighted Avg: 34			

Minimum Wage by County: ETP Minimum Wage is \$12.85 for all 23 participating counties.

* The SET wage of \$23.36 may be modified down to \$12.85 in a HUA.

Health Benefits: ☐ Yes ☒ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☐ Yes ☐ No ☒ Maybe

Participating employers may use health benefits to meet the Post-Retention Wage.

Other Benefits: Vary among participating employers

Wage Range by Occupation	
Occupation Title	Wage Range
Owners/Entrepreneurs	
Frontline Managers Workers	
Managers	

INTRODUCTION

In this proposal, Sierra Business Council (SBC) seeks funding for retraining as outlined below:

SBC, founded in 1994 as a business incubator, has developed into a full-educational nonprofit association of more than 700 businesses, agencies, and individual members committed to promoting a new perspective on regional wealth while emphasizing collaboration in planning and policy making. SBC is eligible to contract with ETP under the Title 22, California Code of Regulations (CCR), Section 4400(j)(3) as a group of employers.

Participating employers are primarily entrepreneurs and small business firms throughout the entire Sierra Nevada region. SBC is requesting funding to improve economic growth in rural northern California through relevant training focusing on collaboration, leadership development, and business and development practices to build a sustainable future for the region.

SBC requests Special Employment Training (SET) funds to train the following: 10 employees in small businesses with no out-of-state competition in Job Number 1 and eight entrepreneurs in Job Number 3. In both jobs, the employees will include managers, capped at no more than

20% of the overall trainee population. The eight entrepreneurs in Job Number 3 will also be trained under SET (Title 22, CCR, Section 4409(c).) SBC also requests training for eight employees in Job Number 2 at small businesses that face out-of-state competition based on industry sector classification, and thus do not need SET funding. (Title 22, CCR, Section 4416(i).)

Training will take place throughout the Sierra Nevada region by SBC through small group and conference settings.

PROJECT DETAILS

SBC has a significant demand for training from their membership. The proposed curriculum was based on the SBC members' pre-training assessments and surveys. The goal of SBC, through training and support services, is to assist and ensure that local companies remain viable and remain in the region.

The objective of the SBC Training Program is to provide owners with sufficient business and management skills to successfully manage and grow their businesses to a higher level of financial success. A cornerstone of the curriculum is training in how to develop a comprehensive business plan. Training will also include marketing, negotiating with lenders, and related management skills. SBC representatives state that while practically all small business owners and entrepreneurs connected with SBC are accomplished technically in their particular field, they generally lack the management and business skills required for the success and growth of their companies.

The Management Skills and Business Skills curriculum is designed to address this need and contains the following modules:

Business Skills: Communication/Marketing Skills – Analysis and Understanding; Strategies, Tactics and Implementation; Negotiation – Deal Making Process; Facilitation; Managing Growth Overview

Management Skills: Organizational Matters: Management and Business Structure

In this rural region, it is imperative that small businesses work closely with community members to promote a healthy economic environment. Most business owners have no formal training in business development; therefore, SBC will provide the Sierra Leadership Institute as a venue to address these issues. The training goals include:

- 1) Strengthen local communities' ability to cope with rapid and large-scale change;
- 2) Build strong working relationships among regional leaders, businesses and concerned citizens; and
- 3) Expose leaders, business owners, and community members to the problems and opportunities faced by other communities, providing experiences across the broader Sierra region.
- 4) Expand the diversity of the region's community and business leaders by reaching out to the Latino, native, and younger populations in the Sierra Nevada.
- 5) Bridge the rural-urban divide by inviting urban leaders to participate in the program, building statewide understanding of Sierra challenges and solutions.

Commitment to Training

SBC represents that the employers participating in this training will not displace employer resources with ETP funds. Employers in the apparel industry typically provide no formal training

for their employees, particularly those with fewer than 100 employees. Most small employers do not have the financial resources to establish an in-house training program. Training is generally limited to informal on-the-job training, safety training, and new-hire orientation.

The proposed training will provide comprehensive, specialized training in business skills and the use of computerized system specific to the apparel industry. By improving their skills, workers become more valuable to their employers, increasing the likelihood of remaining long-term employees.

SBC representatives state that ETP funds will not displace the existing financial commitment to training by participating employers. Indeed, SBC anticipates that the opportunity for enhanced training made possible by ETP will encourage an ongoing financial commitment in this area.

SBC represents that safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

High Unemployment Area

Trainees will work in counties either fully or partially designated as a High Unemployment Area (HUA). SBC will designate qualified trainees as HUA eligible. This is a region with unemployment exceeding the state average by at least 25%, using the unemployment rate set by the Labor Market Information Division of the Employment Development Department. (Title 22, CCR, Section 4429(b).) However, SBC is not asking for a modification.

Special Employment Training

SET funds are limited to 10% of the training funds available each year. However, under SET, the participating employer is not required to demonstrate out-of-state competition and the trainees are not required to meet eligibility standards for retraining. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention period. (Unemployment Insurance Code 10214.5. Title 22, CCR, Section 4409(a).)

Trainees in Jobs Numbers 1 and 3 have been identified for SET funds because this industry sector does not face out-of-state competition.

RECOMMENDATION

For the reasons set forth above, staff recommends approval of this proposal.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum

Class/Lab Hours

8 – 60

Business Skills

Communication/Marketing Skills

- Analysis and Understanding
- Strategies, Tactics, and Implementation

Negotiation

- Deal Making Process

Facilitation

- Managing Growth and Plan Completion Overview

Management Skills:

- Leadership Development
- Collaboration Processes
- Organizational Matters
- Management and Business Structure